



# **EPCOR Natural Gas Limited Partnership**

## **Exhibit G – Cover Letter Filed July 13, 2018**

### **EB-2018-0235**

**Rates Effective: October 1, 2016**

**Date Filed: July 27, 2018**



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July 13, 2018

**VIA RESS & COURIER**

Ms. Kirsten Walli, Board Secretary  
Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: EPCOR Natural Gas Limited Partnership (“ENGLP”)  
EB-2016-0236 – Application for the finalization of ENGLP’s distribution rates for  
the period from October 1, 2016 through to December 31, 2019**

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Further to ENGLP’s correspondence filed with the Board on April 24, 2018 (in respect of EB-2016-0236) and ENGLP’s correspondence and materials filed with the Board on June 29, 2018, please find enclosed EPCOR’s application for the finalization of ENGLP’s distribution rates for the period from October 1, 2016 through to December 31, 2019 (the “Application”) made pursuant to section 36 of the *Ontario Energy Board Act, 1998*. This Application comprises six applications filed as the following exhibits:

1. Exhibit A - 2016 IRM Application
2. Exhibit B - 2017 IRM Application
3. Exhibit C - 2018 IRM Application
4. Exhibit D - Application for a fixed monthly charge for Rate 6
5. Exhibit E - Application for the disposition of ENGLP’s PGTVA and REDA
6. Exhibit F - Application for a change of ENGLP’s rate year to January 1 to December 31

The purpose of this Application is to allow for the finalization of ENGLP’s distribution rates for the period from October 1, 2016 (the date on which distribution rates were made interim) through to December 31, 2019. While processing this Application, ENGLP will prepare and file a cost of service rate application for the rates commencing January 1, 2020 that is fully compliant with the Board’s *Filing Requirements for Natural Gas Rate Applications*.

The exhibits in this Application are being filed concurrently (and in the order outlined above) in one application to facilitate the Board’s review and adjudication by providing the Board with the complete “rate picture” during the time period. EPCOR has no objections to the Board combining any of the above exhibits into single application(s) or otherwise hearing the exhibits as the Board sees fit.

By way of background:

- The applications in Exhibits A through C are based on a continuation of the former NRG's Board-approved IRM mechanism, and each builds on the rates proposed in the previous application(s).
- The application in Exhibit D is meant to be responsive to ENGLP's largest customer (and the sole customer in Rate 6), Integrated Grain Processors Co-operative ("IGPC") and also builds on the rates proposed in Exhibits A through C (inclusive).
- With respect to the application in Exhibit E, the time period over which ENGLP is proposing to dispose of the PGTVA and REDA balances coincides with the time period covered by the 2018 IRM Application (i.e. Exhibit C). Exhibit E also provides cumulative bill impact information which brings together the impacts of the three IRM applications with the disposal of these accounts to provide a comprehensive view of the impact of the above filings on the bills of ratepayers for October 1, 2018 to September 30, 2019 (as compared to current).
- With respect to the application in Exhibit F, ENGLP is proposing to change its current rate year (October 1 to September 30), which it assumed when it purchased NRG's gas distribution system, to align the rate year with its fiscal year of January 1 to December 31. As part of this proposal, ENGLP is proposing to hold the resultant rates from the applications in Exhibits C and D constant for the three month period from October 1, 2019 to December 31, 2019.

ENGLP has proceeded in this manner after consulting with Board Staff, IGPC and VECC. In ENGLP's view, this approach is a balanced, practical way to finalize existing interim rates and enable ENGLP to bring forward a fully compliant cost-of-service application as expeditiously as possible.

Should you have any questions, please contact me directly.

Sincerely,

*[Original signed by]*

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